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COMPLIANCE **MEMORANDUM**

2003 FEB 14 P 2: 18

AZ CORP COMMISSION DOCUMENT CONTROL

TO:

Docket Control Center

FROM:

Patrick C. Williams

Manager, Compliance and Enforcement

Utilities Division

DATE:

February 14, 2003

Arizona Corporation Commission

DOCKETED

FEB 1 4 2003

DOCKETED BY

This Memorandum to the Docket will certify that compliance, as described below, has been met for the referenced utility.

UTILITY:

USA Digital Communications, Inc.

DOCKET NO. T-03933A-00-0714

DECISION NO. 63832

COMPLIANCE ACTION:

File the following FVRB information within 18 months of the date it first provides service following certification. The FVRB shall include a dollar amount representing the total revenue for the first twelve months of telecommunications service provided to Arizona customers by the Company following certification. The Company shall also file FVRB information detailing the total actual operating expenses for the first twelve months of telecommunications service provided to Arizona customers by the Company following certification. The Company shall also file FVRB information which includes a description and value of all assets, including plant, equipment, and office supplies, used to provide telecommunications service to Arizona customers for the first twelve months following the Company's certifications.

DUE DATE: 1/2/2003

DATE COMPLIED: 2/14/2003

digital communications

ARIZONA CORPORATION

February 11, 2003

VIA U.S. MAIL

Director of Utilities Division Arizona Corporation Commission 1200 W. Washington Street Phoenix, AZ 85007

RE:

USA Digital Communications, Inc.

Docket No. T-03933A-00-0714

Decision No. 63832

Dear Director:

Enclosed for filing please find the original and one (1) copy of the Fair Value Rate Base Report submitted by USA Digital Communications, Inc for the period from July 1, 2001 to June 30, 2002.

Please acknowledge receipt of this filing be returning, file-stamped, the extra copy of this Filing in the self-addressed stamped envelope provided for that purpose.

If you have any questions regarding this filing, please contact me.

Sincerely,

David D. Williamson

Dail & Williamson

Regulatory Manager

Enclosure

Company: USA Digital Communications, Inc.

Docket No. T-03933A-00-0714

Decision No. 63832

Report: Fair Value Rate Base Information for July 1, 2001 through June 30, 2002

Total Revenue for Arizona: \$39,486.81

Total Operating Expenses: \$29,615.11

Description of Assets:

USA Digital Communications, Inc. is a non-facilities-based telecommunications company located in Edmond, Oklahoma. As such, it holds no plants, equipment, or other assets in Arizona. USA Digital's only assets consist of modest office equipment such as desks, desktop computers, and normal office supplies. The value of these assets is approximately \$3,000.00